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E.O. 12958: DECL: 04/01/2028 TAGS: <u>PREL SNAR PGOV PA XM</u>

SUBJECT: COLORADO SENATOR IMPLORES THE US TO "DO MORE"

Classified By: DCM Michael J. Fitzpatrick; reasons 1.4 (b) and (d).

- $\P1.$ (C) Multiple-term Colorado Senator (and brother of former Foreign Minister Leila Rachid) Bader Rachid told Pol/Econ Chief and RLA March 26 that the United States is "failing" its approach to Latin America and Paraguay and that it should "do more" in the region. He argued that the United States should reverse its policy of "ignoring its own backyard." Rachid urged the Embassy to 1) work with the Paraguayan military to build a military base in the Chaco to fight the growing narcotics trade (and to ward off any ideas from Brazil or Bolivia about infringing upon Paraguayan sovereignty) and 2) beef up U.S. intelligence operations in Paraguay (and share findings with key Paraguayan interlocutors). Rachid argued that Paraguay is the United States' best friend in the Southern Cone, where it has "no other stratgic ally." He mentioned last week's visit of Bolivian Defense Minister Walker San Miguel, who asked Paraguay to slow down its mil-mil relationship with the United States. Rachid said he and many like-minded military officials rejected San Miguel's message and seek closer military ties with the United States. Rachid lamented that members of his own party are involved in narcotics trafficking, and asked the Embassy for increased assistance to stop trafficking in drugs, arms, and pirated goods.
- 12. (C) Rachid, who is not seeking re-election, predicted that Colorado candidate Blanca Ovelar will win the presidency April 20 by a four percent margin. According to Rachid, over 70 percent of undecided voters are registered Colorado Party members, which he believes will tip the balance, however slightly, in her favor. Rachid described Ovelar as "inexperienced" but said she will make a good president "if she can shake off President Duarte's influence." He believes Ovelar will struggle with governability issues for first six months in office, given the divided Congress with which she will have to work.
- 13. (C) COMMENT: Rachid's frank criticisms of U.S. policy come at an interesting time, when many Paraguayans are urging the Embassy to "do more" in light of the upcoming elections, particuarly in light of the electoral fraud widely expected. While his suggestions regarding building a military base in the Chaco and increasing intelligence cooperation are somewhat unusual, he makes a good point about Paraguay's status as a potential strategic ally. Hopefully, with Paraguay's next president, we can do more. END COMMENT.

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